



## D4 Small Business Council Meeting Minutes

DATE: June 21, 2016

TIME: 1:00- 2:30pm

LOCATION: District 4, Executive Conference Room-15-240, 111 Grand Ave., Oakland, CA

<b><u>D4 CALTRANS STAFF:</u></b> Dan McElhinney, Chief DDD Lenka Culik-Caro, DDD-Design Premjit Rai, DDD-Administration Adriana Harris, Small Business Prgm Damien Harris, Business Mgmt Deo Blas, Consultant Services Osayahde Nesbitt, Small Business Prgm Ray Pang, Construction Stan Ng, Maintenance  <b><u>HQ/AGENCY STAFF:</u></b> Alicia Sequeira, OBEO	<b><u>MEMBERS (Present/Absent)</u></b> Arvin Chaudhary (P) Diana LaCome (P) Eddy Lau (P) Frederick Jordan (A) Paul Guerrero (P) Peter Ramirez (A)	<b><u>REPRESENTING</u></b> ACEC CA NCA AAAE SFAACC La Raza Roundtable <u>SDVOC</u>
	<b><u>ALTERNATES (Present/Absent)</u></b> Anthony DeVenuta (A) Dr. Caesar Churchwell (A) Leslie Sakai (A) Miguel Barrigan (A) Raewyn Butcher (A) Victor Garza (A)	<b><u>REPRESENTING</u></b> SDVOC SFAACC AAAE NCA ACEC CA La Raza Roundtable
	<b><u>GUESTS:</u></b> Bijan Mizani (P)	<b><u>REPRESENTING</u></b> IMEX Designs Corp

### Item #1: Introductions

District 4 Chief Deputy District Director, Dan McElhinney, welcomed everyone to the June meeting. He informed the Council that District Director, Bijan Sartipi, was unable to attend due to personal business. Mr. McElhinney thanked the Council for the many years of advice, insight, guidance and teamwork to the Small Business Community. He acknowledged that the Caltrans' Managers and Staff are diligent about the Small Business Program and what is being done to support the SBE/DVBE and DBEs. He mentioned that the reports presented at every SBC Meeting; Construction, Maintenance, Design and A&E help make the District progressive in servicing the small business community. Mr. McElhinney admitted that there is always more to do for small businesses. He believes that the SBC Meetings help the District keep the focus in continuing to implement new ideas to keep a strong small business program. The attendees introduced themselves.

### Item #2: Approval of Minutes

#### **April 19, 2016 Minutes:**

**Motion:** Mr. Eddy Lau **Second:** Ms. Diana LaCome **Opposed:** None. Approved by consensus.

### Item #3: District 4 Updates

#### **Construction Update:**

Mr. McElhinney introduced Mr. Ray Pang who presented the Construction report. Mr. Pang reported that there were 6 *Advertised and Upcoming Projects*, totaling approximately \$61.86M. He mentioned that the bid for project EA#1SS591 was currently being evaluated while project EA#4H221 had a bid opening for July 6<sup>th</sup>. The remaining 4 projects had just received funding from CTC and the advertisement dates were being determined. He mentioned that project EA#3G59U1 estimated at \$55M had an upcoming Mandatory Pre-bid. Ms. Diana LaCome asked if this project was one of the Express Lane projects. Mr. Pang noted that this was a ramp metering project designed to control traffic. Referring to the *Projects Opened and Currently Awaiting Award* section, he reported that there were 9 contracts valued at an engineer's estimate of \$14.68M. He mentioned that the bids had come in very close to the engineer's estimate at \$14.84M. Mr. Pang explained that there were 14 *Projects Awarded* since May 9, 2016 with an engineer's estimate of \$24.05M and the bids had come in very close at \$21.7M. He noted that the DBE commitment for the 14 projects exceeded the goal, with the exception of projects EA#2G9401 and EA#3J5201. Those two contracts were awarded with a Good Faith Effort. Mr. Eddy Lau asked for the list of firms that make up the 31% on contract EA#2A3311 **[Action Item # 2016-12/Assignee-Ray Pang]**. Mr. Pang then referred to the 8 *Projects Ready to List But Not Funded for Advertisement Yet*, he mentioned that there was a mistake in the Total Estimated Cost which should be about \$25M not \$218M. He stated that in the next couple of weeks there would be about 50 more projects coming into the Ready to List status. Mr. Lau asked if the 8 projects would be advertised in the 16/17 funding. Mr. Pang said that the projects would be advertised in the 15/16 funding. Mr. McElhinney explained that 6 of the 8 projects would receive CTC vote at the end of June while the remaining 2 would be voted in August, and that all 8 projects will still be 15/16 capital funded. Ms. Lenka Culik-Caro went on to explain the process of advertisement. She explained that once a project is Ready to List (RTL) there is a 6-8 week wait to get on the CTC Agenda. Once the project is voted, the project package is sent to HQ which then takes 2-3 weeks to advertise the project. The advertisement period depends on the size of the project, 2-8 weeks. Once the bid opening happens, the bids are evaluated within 5 days, and the letter of award is prepared and sent to HQ who then does the DBE certification. Within 2-3 weeks the contracts are awarded. Mr. Pang concluded his presentation noting that there were 7 *Not Ready to List* projects with a Total Estimated Cost of \$4.26M. Mr. Guerrero asked if Mr. Pang could list the stop notices filed on the construction contracts. Mr. Pang said he would look into it.

#### **Maintenance Update:**

Mr. McElhinney introduced Mr. Stan Ng who provided the Maintenance report. Mr. Ng reported that there were 29 contracts on the *Director's Order Force Account* that totaled approximately \$39.3M. Twenty-seven percent were awarded to Small Business Enterprises (SBEs) and 73% to Non-SBE's. Mr. Ng informed the Council that the yellow highlights were updates since the last meeting. Hence, items 9, 24 had updated information while items 26 through 29 were new contracts. Mr. McElhinney asked for the status of item 21. Mr. Ng mentioned that they were still working on the design details. Referring to the *District Director's Order Force Account*, he reported that there were 21 contracts which totaled over \$5.18M. He said 64% was awarded to SBEs and 36% to Non-SBEs. He said items 15-18, 20 and 21 were new contracts. Mr. Ng concluded his presentation with the *District Office Fire Life Safety System Report*. The percentages paid for this project were 50% to SBEs, 48% to Non-SBEs and 2% to a DVBE.

### **Design Update:**

Mr. McElhinney introduced Ms. Lenka Culik-Caro to update the Council on the Design Report. Referring to the *Proposed Minor B Projects for Small Business, FY 15/16*, she called attention to items 2, 8 and 9 and explained that the bid results came in very close to the engineer's estimate. She announced that those were the last three projects that needed to get awarded and she was very pleased with the bid results.

### **A&E Update:**

Mr. McElhinney introduced Mr. Deo Blas to provide the A&E Report. Mr. Blas highlighted that there were currently five *Recently Executed A&E Contracts* and the majority had achieved the SBE and DBE goal. He emphasized that contract EA#04A4785 had been awarded to WRECO, a Calmentor Member and DBE firm. WRECO achieved a 75% DBE goal although the contract had only been advertised at 10%. Referring to the *Recently Executed non A&E Contracts*, he reported that there were three contracts. Contract EA#04A4654 and EA#04NEW488-16 achieved 100% SBE goals, whereas contract EA#04A4645 was a split DBE contract between SUMMIT & GEOCON. They achieved 24% and 6.2% respectively, the contract was advertised at 6%. Mr. Blas reported that there were six *Upcoming New-A&E Contracts*. He noted that contract EA#04A4952, had been awarded to ALTA VISTA, a Calmentor Member and Mentor. He explained that the contract was under cost negotiations and the DBE goal could change. Mr. Blas mentioned that line items 2 through 5 were still in the development stages. He reported that interviews were held the previous week for contract EA#04A4969, and that the contract would be awarded soon. For the *Upcoming Non-A&E Contracts*, he reported that there were six upcoming non-A&E contracts. He highlighted that the advertisement had been completed for contract EA#04A4902, and the bids were being reviewed by HQ. He mentioned that line items 2&3 had to be re-advertised because the initial bids were non-responsive. Whereas line items 4 through 6 were currently advertised on Cal *e-Procure*. Mr. Lau referred the Quarterly Update on the DBE Utilization Report and noticed that contract EA#04A4305 was near completion and the DBE goal was very low. Mr. Chaudhary added that the same was true for contracts: EA#04A4256, EA# 04A4353 and EA#04A4691. Mr. Lau and Mr. Chaudhary requested to have the contract manager look into these four contracts that have no DBE achievement and are near completion **[Action Item # 2016-13/Assignee-Deo Blas]**.

### **District 4 Small Business Update:**

Mr. McElhinney introduced Mr. Osayahde Nesbitt to report the Small Business Update. Mr. Nesbitt gave a brief overview of the events that the Small Business Program (SBP) had participated in. He reported that on May 3<sup>rd</sup>, the SBP hosted an informational booth at the *VTA Meet the Primes and Public Outreach*. On May 25<sup>th</sup>, Mr. Nesbitt was a guest speaker at the *CARAT and Nor-Cal FDC New Program Launch and Awards Reception*. The event's focus was creating and accessing supplier diversity opportunities for small businesses. On May 27<sup>th</sup>, the SBP hosted an informational booth at *Operation Opportunity*, hosted by VET Matchmaking. Mr. Nesbitt was a panel member. The purpose of the event was to provide veteran business owners information about launching, promoting, funding, and securing business with local, state, and federal agencies. On June 14<sup>th</sup>, the SBP hosted an informational booth at VTA's Business Diversity Expo. The purpose was to expand VTA's programs to disabled veterans and the LGBT business community. On June 16<sup>th</sup>, Mr. Nesbitt represented the District as a guest speaker and booth exhibitor at SFPUC's LBE/DBE Cross Certification event. The purpose was for SFPUC to introduce the LBE and DBE community to

upcoming SFPUC project opportunities specific to LBEs and DBEs and to promote the respective certification types. On June 21, 2016- The team hosted its fourth PDC workshop. The workshop topic was Bonding and Insurance and was presented by our prime member Bill Johnson- Shimmick Construction and guest speaker Bernida Reagan-Merriwether & Williams Insurance Services. Mr. Nesbitt announced that the SBP would host an informational booth at the USDOT Outreach on June 23<sup>rd</sup>. He concluded his report by letting the Council know that there was an upcoming Mandatory Prebid on July 19<sup>th</sup> in Pleasanton for contract 3G59U1. He informed them that more information would be sent via email.

### **OBEO Update**

Mr. McElhinney introduced Mrs. Alicia Sequeira to report the OBEO Update. Ms. Sequeira reported that the Caltrans DBE participation for Fiscal Year 15/16 was at 12.24%. The data included participation from the Office Engineer (OE), Division of Procurement & Contracts (DPAC) and Local Assistance. She informed the Council that as of May 2016, District 4 has awarded 45 Federal Construction Contracts with a commitment of 11.05%, 4 of those contracts were awarded to DBE primes; 3 A&E Federal Contracts with a commitment of 21.5% were awarded, 1 going to a DBE prime. Ms. Sequeira reported that the Caltrans DVBE participation for Fiscal Year 15/16 is at 3.2%. She clarified that the data is for major and minor construction as well as A&E and Emergency Force Contracts. She emphasized that as of May 2016, District 4 has awarded 15 State Funded Construction Contracts with a DVBE commitment of 2.66%, 6 of those contracts were awarded to SBE primes. One A&E State Funded Contract has been awarded with a DVBE commitment of 5%. Ms. Sequeira provided general information on the National Summer Transportation Institute Program (NSTIP), which awarded a contract to the San Jose State University and California State University of Los Angeles. SJSU is focusing on high school students while CSULA is focusing on middle school students. She referred to the OBEO website for more details. She explained that Caltrans is currently scoring the DBE Supportive Services Contract, which will provide services in the Southern Region of CA. An RFP for DBE Supportive Services for Northern and Central CA is in the works and should be released once the budget for FY 16/17 is released and allocated. Ms. Sequeira also mentioned that the OBEO is currently reviewing the 2015 Disparity Study, once finalized the report will be posted on the OBEO website. Mr. Guerrero asked if the Supportive Services Contract was being paid with federal funds because it was required by the federal gov't. Ms. Sequeira replied that state dollars were partially funding the contract. Mr. Guerrero suggested to have a DBE Supportive Services Contract in place at all times because it is really needed. Mr. McElhinney requested Ms. Sequeira to provide the Council a summary of her talking points via email, Ms. Sequeira agreed to send it to the Small Business Team and referred to the OBEO website for future reference of statistical data.

### **Item #4: Review of Action Items**

Mr. McElhinney introduced Mr. Premjit Rai to report on the open Action Items. Mr. Rai referred to ***Action Item #2016-10-Assignee- Lenka Culik-Caro [Closed]***. Ms. Culik-Caro reported that they had contacted Rege Construction Inc., the contractor on item #10 whom requested to be relieved. They also contacted the second lowest bidder, Quimu Contracting Inc., who was comfortable with the bid and therefore the contract was awarded to them. ***Action Item #2016-11-Assignee- Romy Fuentes***

**[Closed].** Mr. Blas reported that section, *Upcoming New A&E Contracts*, now included the contract number and incumbent information in brackets.

**Item #5: New Business**

1. Mr. Rai reminded Mr. Chaudhary to submit his Small Business Council Renewal Letter for 2016. He requested that he sent to either Ms. Adriana Harris or Mr. Nesbit.
2. Mr. Bijan Mazini asked if Caltrans has any way of paying its suppliers in advance to help them cover the cost of materials. Ms. LaCome and Mr. Guerrero suggested that he obtained the SB stamp from DGS that makes his invoices go to the top of the pile. Mr. Damien Harris offered to follow up with DPAC to find out what Caltrans has in place as far as progress payments for manufactures that provide products that are specifically manufactured for Caltrans.

**Item #6: Adjourn**

Mr. McElhinney adjourned June meeting and said that the next meeting would be on Tuesday, August 16th, 2016.

**District 4 Small Business Council Action Items as of June 21, 2016:**

No. / Starting Date / Assignee			Item Description (Originator)
# 2016-12 <b>New</b>	6-21-16	Ray Pang	Mr. Eddy Lau asked for the list of firms that make up the 31% on contract 2A3311.
#2016-13 <b>New</b>	6-21-16	Deo Blas	Mr. Lau and Mr. Chaudhary requested to have the contract manager look into contracts that are near completion and have no DBE achievement.

*The D4 SBC meets every other month in the Executive Conference Room 15-240, 111 Grand Avenue, Oakland, CA 94612. Meetings begin at 1pm and run until about 2:30pm.*

**2016 D4 SBC Upcoming Meeting Schedule**

August 16<sup>st</sup>  
October 18<sup>th</sup>  
December 20<sup>th</sup>